

Message Text

CONFIDENTIAL

PAGE 01 KHARTO 01816 051305Z

44

ACTION AF-18

INFO OCT-01 ISO-00 EUR-25 CIAE-00 DODE-00 PM-07 H-03

INR-11 L-03 NSAE-00 NSC-07 PA-04 RSC-01 PRS-01 SP-03

SS-20 USIA-15 SCCT-02 OPIC-12 AID-20 NEA-14 EB-11

XMB-07 CU-05 COME-00 TRSE-00 OMB-01 SY-04 SAM-01

IGA-02 AGR-20 SWF-02 IO-14 DRC-01 /235 W

----- 099240

R 051220Z AUG 74

FM AMEMBASSY KHARTOUM

TO SECSTATE WASHDC 8594

C O N F I D E N T I A L KHARTOUM 1816

E.O. 11652: GDS

TAGS: PFOR BEXP BTRA SU US

SUBJ: US BUSINESS ACTIVITY IN SUDAN

REF: STATE 169610

1. RESIDENT DIRECTOR FOR EGYPT AND SUDAN OF UNION CARBIDE MIDDLE EAST LTD. (WASSMAN) CALLED ON CHARGE AUGUST 5 TO INQUIRE ABOUT CURRENT STATE OF US/SUDANESE RELATIONS AND BRIEF US ON PROGRESS AND PLANS RELATED TO UNION CARBIDE BATTERY PLANT IN KHARTOUM. WASSMAN SAID THAT CONSTRUCTION IS ABOUT TO BEGIN AND THAT AN OFFICIAL CORNERSTONE LAYING CEREMONY IS PLANNED FOR OCTOBER 24, WITH PARTICIPATION OF PARENT COMPANY DIRECTOR LYON, CHAIRMAN WAIT OF UNION CARBIDE MIDDLE EAST, AND SENIOR SUDANESE OFFICIAL (NIMEIRI IF POSSIBLE). WASSMAN EXPRESSED HOPE THAT AMBASSADOR WOULD ALSO BE PRESENT.

2. CHARGE SAID THAT EMBASSY HAD BEEN UNABLE TO PARTICIPATE IN RECENT CEREMONY INVOLVING DELIVERY OF BOEING 707S AND IT WAS DOUBTFUL THAT PARTICIPATION WOULD BE APPROVED FOR UNION CARBIDE CEREMONY. CHARGE ALSO INFORMED WASSMAN OF SUBSTANCE PARA 5 REFTEL RE OPIC PROGRAMS. WASSMAN RECALLED THAT UNION

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 KHARTO 01816 051305Z

CARBIDE HAD SOME TIME AGO RECEIVED INFORMAL ASSURANCES FROM

OPIC THAT OPIC GUARANTEES/INSURANCE AGAINST NATIONALIZATION, SEQUESTRATION, ETC., WOULD BE FORTHCOMING AND THAT THIS HAD HAD A BEARING ON COMPANY'S DECISION TO PROCEED WITH BATTERY PLANT PROJECT. HE DID NOT GO SO FAR AS TO SAY THAT PROJECT WOULD HAVE BEEN ABANDONED IN THE ABSENCE OF OPIC ASSURANCES, AND HE INDICATED THAT IT IS NOW TOO LATE TO TURN BACK IN ANY CASE. (PLANS ARE TO BEGIN PRODUCTION IN SEPTEMBER 1975, WITH FIRST SALES THE FOLLOWING MONTH).

3. ALSO ON AUGUST 5, THE HEAD OF GENERAL AIRPORT DEVELOPMENT COMPANY, LTD., A SUBSIDIARY OF GENERAL RESEARCH CORPORATION OF MCLAIN, VIRGINIA, TOLD EMBASSY THAT HE EXPECTED IN THE NEXT FEW DAYS TO CONCLUDE A \$10.4 MILLION CONTRACT WITH THE GOS FOR CONSTRUCTION OF ELEVEN SMALL AIRPORTS IN SUDAN. HE SAID THAT NO IMMEDIATE REQUEST FOR USG FINANCING IS CONTEMPLATED BUT THAT THE COMPANY MAY SEEK EXIM FINANCING FOR EQUIPMENT PURCHASE IN SIX MONTHS OR SO. EMBASSY OFFICER INFORMED VISITOR SUBSTANCE OF PARA 11 REFTTEL.

4. COMMENT AND ACTION REQUEST. WHILE STATE 169610 CONTAINS SPECIFIC GUIDANCE WITH RESPECT TO MILITARY SALES, OPIC PROGRAM AND EXIM FINANCING, IT DOES NOT TOUCH ON THE QUESTION OF WHETHER OR THE EXTENT TO WHICH EMBASSY SHOULD DISCOURAGE AMERICAN FIRMS FROM BUSINESS VENTURES IN SUDAN (OTHER THAN MILITARY SALES AND PLANS REQUIRING OPIC OR EXIM INVOLVEMENT). WE EXPECT THAT AMERICAN BUSINESSMEN WILL BE SEEKING ADVICE, AND WE FEEL COMPELLED TO INFORM THEM OF CURRENT USG POLICY IN SUFFICIENT DEPTH TO ALLOW THEM TO PROTECT THEIR OWN INTERESTS. IF THE DEPARTMENT WISHES US TO BE MORE SPECIFIC, ADDITIONAL GUIDANCE WOULD BE APPRECIATED. WITH RESPECT TO THE VISIT DESCRIBED IN PARAS 1 AND 2 ABOVE, DEPARTMENT CAN EXPECT TO BE CONTACTED SOON BY UNION CARBIDE ON THE QUESTIONS OF OPIC GUARANTEES AND EMBASSY PARTICIPATION IN THE CORNERSTONE CEREMONY. BERLIND

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 05 AUG 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: cunninfx
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974KHARTO01816
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D740213-0051
From: KHARTOUM
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740874/aaaac1xe.tel
Line Count: 96
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION AF
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: STATE 169610
Review Action: RELEASED, APPROVED
Review Authority: cunninfx
Review Comment: n/a
Review Content Flags:
Review Date: 23 APR 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <23 APR 2002 by boyleja>; APPROVED <24 FEB 2003 by cunninfx>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: US BUSINESS ACTIVITY IN SUDAN
TAGS: BEXP, BTRA, SU, US, UNION CARBIDE
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005